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January 8, 1993

JAN - 8 1993

Ms. Donna Searcy  
Secretary  
Federal Communications Commission  
1919 M Street, NW, Room 222  
Washington, DC 20554

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Re: General Docket No. 90-314

Dear Ms. Searcy:

Enclosed please find the original and six copies of the Reply Comments of Metriplex, Inc. in the above-captioned proceeding.

Please do not hesitate to contact the undersigned should there be any questions concerning this matter.

Yours very sincerely,

*Lawrence J. Movshin*  
Lawrence J. Movshin *att*

LJM/att

cc: Thomas P. Stanley  
Cheryl A. Tritt  
John Cimko, Jr.  
David R. Siddall

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Before The

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

**FEDERAL COMMUNICATIONS COMMISSION**  
**WASHINGTON, D.C. 20554**

In The Matter Of	)	GEN Docket No. 90-314
	)	ET Docket No. 92-100
Amendment of the Commission's	)	RM-7140, RM-7175, RM-7617
Rules to Establish New	)	RM-7618, RM-7760, RM-7782
Personal Communication	)	RM-7860, RM-7977, RM-7978
Services.	)	RM-7979, RM-7980
	)	

To: The Commission

**REPLY COMMENTS**  
**OF**  
**METRIPLEX, INC.**

Metriplex, Inc. by its attorneys, hereby replies to the numerous comments that were filed in response to those portions of the Commission's Notice of Proposed Rulemaking and Tentative Decision (FCC 92-333, released August 14, 1992) (the "NPRM") in the above-captioned proceeding dealing with Advanced Messaging Services in the 900 MHz band, so-called, Narrowband PCS.

In its initial comments, Metriplex heartily endorsed the Commission's decision to allocate substantial spectrum for the provision of new and innovative narrowband paging services. However, Metriplex voiced strong concern with the decision to deny Metriplex a Pioneer's Preference for its proposed HDNAP service which, when used in conjunction with existing Metriplex-developed software, data telemetry and information services will

provide a new, advanced nationwide data communications service. Indeed, as we stated then, Metriplex and HDNAP present the very best example of entrepreneurial spirit and innovation that warrants and needs the licensing preference provided by the Pioneer's Preference rules in order to survive the lengthy rulemaking process.

A number of parties interested in the Narrowband PCS part of this proceeding have convincingly opposed the Commission's decision to deny all but one of the pending Pioneer's Preference requests. This decision, it has been properly noted, will effectively result in an "open season" licensing scheme for the 50 kHz blocks of spectrum that the Commission has proposed to create from the 3 MHz allocation. Rather than assuring the several innovators of the opportunity to develop their creative services and provide advanced messaging opportunities for the American public, the new spectrum is likely to be overrun with the license application frenzy that has characterized virtually all newly licensed services, and the true innovators will be forced to take their chances in a lottery or pay millions of dollars to speculators for spectrum that would be better used for technology development.

Instead, the majority of commenters, like Metriplex, proposed alternative licensing schemes that would, appropriately, assure that all Pioneer's Preference applicants could be granted, while providing more than adequate additional spectrum to accommodate others who might want to develop similarly creative approaches to meeting the nation's advanced messaging services

needs. Clearly, a consensus has developed -- which Metriplex joins -- for authorizing each of the Pioneer's Preference applicants a single license in either the 931 or 941 MHz bands (with a corresponding block in the 901-902 MHz band for low-power uses, e.g., for the lower powered transmissions associated with the so-called "ack" portion of the HDNAP proposal) with which they may -- indeed, must -- implement their basic service proposals. Metriplex believes that such a scheme, dividing the 3 MHz allocation into 100 kHz channel licensing blocks, is the appropriate choice for this spectrum. And Metriplex further agrees that the Commission can grant nationwide authorizations (although Metriplex can also support the adoption of a regional licensing scheme utilizing one of the well-documented five to seven region divisions proposed by the various commenters), to assure that the AMS proposals now on the drawing board, and that may be developed for this spectrum in the future, will be economic viable and vigorously competitive. If those objectives are met, the Commission will have achieved a substantial legacy for the nation.

This is not to say that the current group of applicants should be given unfettered authority to hoard the spectrum or to utilize it for non-AMS purposes. On the contrary, as Metriplex urged in its Comments, reasonable construction and utilization requirements should be imposed to assure that the spectrum is put to its most efficient use. Licensees must be limited to providing the services and utilizing the technology proposed in their Pioneer's Preference application -- there can be no

speculation in licenses by creating an innovative concept on paper but utilizing the spectrum to provide existing or basic paging services.

Moreover, as Metriplex has proposed, at the end of a 36 month period, the licensee must be required to submit a full report to the Commission as to what services have, in fact, been provided to the public, over what area, and as to actual construction then under contract. Based on that report, the agency will then either continue the license grants, limit them to the specific markets or regions then served or under immediate contemplation for service, or, in the absence of any meaningful development of service to the public, have the power without further proceedings to revoke them, granting others the opportunity to use the spectrum that the original "Pioneer" has not.

These types of restrictions allow those applicants who are, indeed, intent on providing new and innovative services to the public to utilize this new spectrum to complete their proposed development. But they will be given the license on a "use it or lose it" basis, and thus must truly undertake the risk of development inherent in any new proposal. What these Pioneers will not be able to do is to make promises to provide new concepts, merely then to turn around and either profit from the sale of the spectrum OR simply to utilize the new channels for the same old services.

This approach gives investors and innovators the tools to develop their ideas -- primarily the radio spectrum, the

lifeblood of the idea -- while also demanding that they carry forward their concepts to some fruition or lose the valuable spectrum that they have been given. It will encourage risk taking, by providing the incentives of a business for successful experimentation; it will also discourage speculation, since the spectrum has no value if, at the end of three years, the concept has proven a failure, either in implementation or in the harshest court of all, the consumer marketplace. And while it gives true innovators plenty of time to bring their ideas to fruition, it assures that spectrum that is not being used will not lay fallow for a ten-year license term.

Metriplex can make this bold proposal because it is, in fact, willing and capable of providing the HDNAP service it has proposed. Both our marketing research and our technological development of these types of services, utilizing more conventional paging technologies as well as the developing messaging services, have established the substantial market that exist for such advanced services in just one of the nation's most critical industries -- health care. Given the opportunity to utilize the spectrum for the implementation of the HDNAP service, Metriplex, and other's licensed to provide competing services, will add greatly to the improvement of health care services and reducing its costs, one of the cornerstones of President Clinton's health care policies.

Hospital data services are seen, by many physicians as an important component in the reduction of rapidly rising health care costs. Greatly increased coordination of services as well

as improvement in the decision and response time of health care providers will be enabled by the HDNAP services which Metriplex is currently developing and testing.

All Metriplex asks is a reasonable opportunity to develop this innovative service. The Commission can best provide usch an opportunity by utilizing this proceeding to distribute spectrum equitably to those who are serious about using it in developing and offer services to the public.

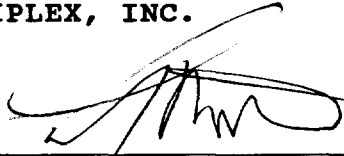
The record in this proceeding, involving so many competing interests and complex issues, is enormous. And the concept of PCS is not one that will be easily and expeditiously addressed in a single decision. Many PCS concepts are years from development, and indeed, the marketplace needs for many PCS proposals may not yet even be known. This is not the case with HDNAP, for which the technology AND the demand exists today. The Commission has before it many creative proposals for the AMS allocation, and, somewhat uniquely, they can virtually all be accommodated in the propsed 3 MHz allocation, while still retaining surplus spectrum to serve other prospective licensees and future creative proposals as well.

The Commission should act expeditiously to grant the pending Pioneer's Preference requests, including Metriplex' HDNAP proposal, so that the clock is started on those who claim an interest and capability for using the spectrum available. Delay in authorizing those ready to provide these new services would be the greatest disservice to the public interest. Granting the various proposals on a "use it or lose it" basis, on the other

hand, will be a crucial step in the development of advanced messaging services for the American public.

Respectfully submitted,  
**METRIPLEX, INC.**

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